Mark D. Hansing8/4/2003 7:32 PM7:32 PM

Mark D. Hansing

To: Charles.Kyle@uspto.gov
Subject: U.S. Ser. No. 09/335,648

ATTACHMENT 1.doc (953 KB)

ear Examiner Kyle:

Pursuant to your request, the attached Microsoft WORD file is an informal discussion of Applicants' claim 13 in comparison to the cited references. Please let me know if you are unable to open the attachment. I will look forward to the opportunity to discuss this with you as soon as you have the chance to review this. Thank you. MDH

I. Overview

A. Sole Basis for Rejection of Claim 13—Obviousness citing Walker U.S. Pat. 5,794,207 ("Walker") in view of Commodities Trading Manual ("Manual")

The sole rejection of Applicants' claim 13 is obviousness under 35 U.S.C. Section 103. Walker is the primary reference. The Manual is the secondary reference. Applicant respectfully traverses the rejection of the claim.

1. Brief Discussion of Walker

Walker is entitled "Method and Apparatus for a Cryptographically Assisted Commercial Network System Designed to Facilitate Buyer-Driven Conditional Purchase Offers". Its essence is described in its abstract:

> "The present invention is a method and apparatus for effectuating bilateral buyer-driven commerce. The present invention allows prospective buyers of goods and services to communicate a binding purchase offer globally to potential sellers, for sellers conveniently to search for relevant buyer purchase offers, and for sellers potentially to bind a buyer to a contract based on the buyer's purchase offer."

Walker emphasizes it is: (a) "bilateral"—between two parties (one buyer and one seller) and (b) buyer-driven (the buyer posts pre-defined, fixed terms for the deal, and prospective sellers either "take it or leave it"; i.e. the one seller that first accepts the terms can unilaterally legally bind the deal). Walker col. 8, lines 27-41.

The way this works, according to Walker, is this <u>unilateral</u> ability of the seller to bind the buyer:

> "A key element necessary to achieve a critical mass of seller participation in such a bilateral electronic buyer-driven system is the seller's ability to bind a buyer to a legal contract under the terms of the buyer's posted offer." Walker col. 4, lines 13-16. Walker

> expresses this method in specific legal terms. Walker calls the buyer's posted request a "Conditional Purchase Offer" ("CPO").

Walker col. 8, lines 46-47. A buyer-posted "CPO" is an express limitation of all of Walker's claims. *See* Walker independent claims 1, 12, 23, and 34.

Walker distinguishes a CPO from what he calls the normal "Request for Proposal" ("RFP") commonly used in bilateral buyer-driven markets. Walker col. 2, lines 55-67. With an RFP, the buyer asks sellers for "proposals". The buyer gets to consider any proposal, and thus, no seller can unilaterally bind the buyer. Walker takes several columns to discuss the legal principles behind purchase offers and acceptances which can bind the offeree to emphasize his need to have the unilateral legal binding feature. Walker cols. 4-7.

As pointed out by the Examiner, Walker gives different examples of goods or services which could be sold under its system, e.g., "commodities or commodity services (such as paper clips or long distance service) and on perishable items (such as airline tickets and hotel rooms)." Walker col. 3, lines 15-18. "[S]ubjects might include airline tickets, hotel rooms, rental cars, insurance, mortgages, clothing, etc." Walker col. 16, lines 5-7. "Buyer-driven markets function best when there is a well-defined purchase need, when a 'brand' provides quality assurance to the buyer such as the name of a major airline carrier or when the item is a commodity such as oil and coal." Walker col. 2, lines 51-54.[1] Thus, it is accurate that Walker uses the term "commodity", but in the context of just buying and selling them as fungibles, not facilitating and tracking the production of agricultural crops.

Walker teaches its goal is to provide buyers desiring to purchase specific goods or services under specific fixed terms access to a wider universe of potential sellers through posting

[1] Walker appears to teach its system is not well suited for agricultural production contracts, which require a number of contracts of complexity: "As a rule, the greater the number and complexity of the buyer's purchase conditions, the more difficult it is to have a buyer-driven market...." Walker col. 2, lines 45-49.

a CPO on a website, but also teaches this must require the foundational concept that any seller must have the unilateral ability to legally bind the buyer (by simply acceptance of the CPO by the seller over the internet). Walker is therefore an internet-based method of exchange of goods and services for a price by buyer CPO / seller unilateral ability to bind.

2. Brief Discussion of Manual

The Manual is a description of futures trading on a futures market exchange (specifically the Chicago Board of Trade):

> "Futures exchanges provide a location for buyers and sellers to meet and, through an open outcry auction process, discover a price for specific futures and options contracts."

Manual pg. 35, first paragraph. It pertains to agricultural crop "futures". It describes how the trading of futures works, including the persons and steps involved. It also describes how certain information can be displayed on price boards and monitors.

Attached Exhibit 4 is a brochure from the U.S. Government Commodities Futures Trading Commission. It describes the nature of futures contracts (*see* definition at Exhibit 4, pg. 2), and how they are traded as financial investments.

The Manual likewise describes how the futures contracts are bought and sold. It is done under a bid and offer system:

> "Offers to buy or sell are made by shouting out prices in an auction style so that each trader in the pit has an opportunity to take the opposite side of a trade."

Manual pg. 38, 2nd para. Buyers make "bids" (number of futures contracts and price). Sellers make offers (number of futures contracts and price). Manual pg. 38. Then:

> "When a trade is made, each trader writes the completed transaction on a trading card or multipart order form.....These trading cards constitute original records, and from them the essential data are transferred to the buyer's and seller's clearing firms....Each

clearinghouse guarantees contract performance of all contracts traded and cleared at the futures exchange."

Manual, Pg. 38.

Therefore, as made clear by the Manual, the futures exchange system is a simple bid and offer system for specific fixed term futures contracts. Buyers bid on certain contracts they want through their representatives on the exchange floor. A seller can accept a bid and legally bind it. Sellers make offers. A buyer can accept the offer and legally bind it.

3. Brief Discussion of Applicants' Claim 13

For convenience, Applicants' claim 13 is attached at the back of this discussion as Exhibit 1. It is broken down into its preamble and sub-parts labeled (a) –(f). These sub-parts will be referred to in the following discussion to point out certain language in claim 13.

Claim 13 defines a specific method according to one aspect of the Applicants' invention. It describes a specific combination of method steps in the context of agricultural crop production contracts. It is not a method to buy and sell goods and services, it involves a method to facilitate the forming of contracts between multiple parties to produce certain crops.

In short, both Walker and the Manual describe systems for publishing offers to buy or sell certain things, and having in place the ability for one party to unilaterally legally bind the deal. With Walker, if it is paper clips (a "commodity"), the buyer issues a CPO for a fixed number of clips and fixed price it will buy them for. If airline tickets (the "commodity" of the services of flying the buyer to desired destination(s)), the buyer issues a CPO for a fixed destination, airline, times, etc. and a fixed price. In either case, any seller can unilaterally legally bind both parties by accepting the CPO. For the Manual, the buyer bids for a fixed number of futures contracts (*see* Exhibit 4—it is a financial instrument that can be bought and sold, just like stocks and

bonds) at a fixed price, or the seller offers a fixed number of futures contracts at a fixed price. In either case, a party can unilaterally legally bind both ends of the deal by accepting.

Neither Walker nor the Manual describe a method for facilitating the formation of agricultural production contracts. Neither Walker nor the Manual, either singly or in combination, describe or teach a method where multiple parties, each having differing desires, capabilities, and goals, can interact, contemplate, adjust, and change their positions prior to forming legally binding contracts. As explained in Applicants' specification, the method of claim 13 is to facilitate the making of and the tracking of agricultural production contracts. There is no "sale" of contracts. The method forms contracts.

Therefore, neither Walker nor the Manual is discussing the same thing as the present application, and neither is pertinent to the issues addressed by and problems attempted to be solved by the present invention. Neither Walker nor the Manual is analogous art to claim 13.

Below, the distinctions will be discussed more specifically with respect to each of the parts of claim 13. Claim 13 patentably distinguishes from Walker and the Manual in at least the following ways:

II. SPECIFIC LANGUAGE OF CLAIM 13

A. Applicants' Claim 13, Preamble

Independent claim 13 is a method claim related not only to "facilitating", but also "tracking the contracting of agricultural crops". *See* preamble of claim 13. This is describing a method of forming agricultural production contracts. In other words, the method allows potential contracting parties to view information (which might change from moment to moment), contemplate, adjust its own inputs if desired, to watch or participate in the development of

agricultural crop production obligations. Support for this can be found throughout Applicants' specification. As described above, this distinguishes from the primary reference U.S. Patent 5,794,206 to Walker et al. (Walker), which describes its system as allowing:

> "prospective buyers of goods and services to communicate a binding purchase offer globally to potential sellers, for sellers conveniently to search for relevant buyer purchase offers, and for sellers potentially to bind a buyer to a contract based on the buyer's purchase offer."

See Walker Abstract. As further pointed out, Walker uses a "bilateral buyer driven commerce" system so one buyer can publish to a wide set of sellers a conditional purchase offer (CPO) and one seller from that universe of potential sellers to unilaterally bind (legally) the one buyer to that CPO. Walker's discussion of "Basic Contract Law" and "Electronic Contracting Law in the Current State of the Art" (Walker, columns 4-7) apparently is to support Walker's focus on a single seller being able to unilaterally legally bind a single buyer's CPO over the internet.[2]

There is no "facilitating and tracking" the process of forming any contract in Walker. Its central purpose is to have a fixed published CPO that is immediately acceptable and legally bindable by a single other party.

The Manual describes the well-known futures exchange bid and offer system. The commodity, the futures contracts, are bought and sold. The futures contracts themselves are not created. Stated differently, claim 13 is not a method for buying and selling commodities. It is a method for facilitating the formation of contracts for the production of crops.

Thus the preamble of method claim 13 defines a method distinct from what is taught in both Walker and the Manual. Claim 13, steps "(a)-(f)"(*see* Exhibit 1) define the specific

[2] Walker does contemplate the potential use of its system to allow counter-offers from any seller (see, e.g. column 22, line 39-column 23, line 19), but it essentially converts to the single seller issuing a CPO with a single buyer having the power to unilaterally legally bind that CPO.

combination of method steps to accomplish the facilitation and tracking of agricultural crop contracts, as discussed below.

B. *Applicants' Claim 13, Step "(a)"*

This step describes formation of "a centralized database system for storage and retrieval of data". In the context of the method as a whole, this allows multilateral parties interested or involved with an agricultural production contract to introduce (store) in the system information relevant to them and look at (retrieve) information that could be helpful in deciding what they want to do (*see, e.g.*, Applicants' specification pg. 3, line 3), as will be discussed below.

C. *Applicants' Claim 13, Step "(b)"*

This step facilitates the formation of a production contracts by specifying the information that prospective crop buyers can store in the database system of step "(a)", specifically number of acres or bushels desired (*see, e.g.*, Applicants' specification pg. 4, line 26, and pg. 6, lines 23-24). As explained in Applicants' specification, these are desired estimated goals. Exact amounts in bushels are not possible before the crop is grown (produced). The system allows such approximations in either acres or bushels as such is conventional for these contracts.

In comparison, Walker and the Manual have very well defined goods or services, not estimated production units. But further, as set forth in Applicants' specification, the buyer's "desired" amount is posted in the database, not as a CPO, but rather a present goal or intention. It is not fixed. It is not legally bindable unilaterally by any grower ("seller"). It is posted so that the buyer can get interest from sellers and sellers can look at what general quantities and types of grain are desired by the grain processors. And, importantly, it can also be viewed by authorized third parties (e.g. grain storage companies like elevators, seed companies, etc.).

D. *Applicants' Claim 13, Step "(c)"*

Likewise, Claim 13, step "(c)" facilitates the formation of a production contract by allowing storage in the database system of step "(a)" of estimates or goals in acres or bushels regarding amounts any number of growers ("sellers") might be willing to commit (*see, e.g.*, Applicants' specification pg. 7, lines 3-5). Like the information supplied by a buyer in step "(b)" (*e.g.* grain processor), this information allows grain processors to see what is presently apparently available, where it is from, what it is, etc. It allows other growers to see the same. It allows third parties like seed companies and elevators to see what might be grown in certain areas (e.g. seed companies can estimate what seed is needed for different geographic regions or growers; elevators can estimate what storage capacity is needed for certain locations).

These entries by growers are not necessarily specific to any desired amount posted by any buyer. They are a posting by growers/sellers of what the participating growers/sellers at that time are willing to say they will commit to production. Again, unlike Walker and the Manual, these entries by growers/sellers are not necessarily fixed and are not legally bindable by any buyer.

E. *Applicants' Claim 13, Step "(d)"*

This step "(d)" describes the display of the information discussed in steps "(b)" and "(c)" (*see, e.g.*, Applicants' specification pg. 7, lines 3-5). Again, this is <u>not</u> a display of any <u>CPO</u> like Walker, or any <u>bid or offer</u> like the Manual. It is a display for authorized buyers, sellers and/or third parties to view any number of desired goals of buyers and desired commitments of sellers. The displayed information is not unilaterally bindable by any party. And further, the information is not necessarily fixed (<u>unlike</u> the fixed CPO's and bids and offers of Walker and the Manual).

Unlike Walker's CPO for fixed terms immediately bindable by a single seller, Applicants' step "(d)" of claim 13 publishes (a) a desired quantity, type, etc. by buyers and (b) indicated potential commitments of sellers by quantity, type, etc. With Walker and the Manual, the published or posted information is specific and is "take it or leave it".

F. Applicants' Claim 13, Step "(e)"

This step specifies that any grower can input "a specific amount of the crop which the grower is willing to commit to the desired agricultural crop." (*see, e.g.*, Applicants' specification pg. 7, lines 5-21) Here a grower can conditionally commit all or part of its original indicated commitment ("a specific amount" in step "(e)") to a specific buyer's desire ("the desired agricultural crop" of step "(e)").

But further note that the method of Claim 13 allows multiple growers ("seller") to provisionally commit production to the same grain processor's ("seller's") desired goal. This is truly multilateral, as distinguished from the bilateral system of Walker, where one party unilaterally binds another single party to the entire specified terms of a single CPO. This is also distinguishable from the Manual, where one party can unilaterally bind the other to a specific offer or bid, and not part thereof.

G. Applicants' Claim 13, Step "(f)"

This step "(f)" explicitly states the "data in the database" is updated in real time "showing the allocation of acres or bushels committed to the desired crop". Thus, unlike Walker, the system dynamically adjusts display of how a single buyer's desired quantity is allocated amongst growers willing to commit a certain amount of acres or bushels to that one buyer's desired quantity. This display is updated before and after certain willing grower(s) have contracted with

the buyer. In other words, it differentiates from Walker in that multiple "sellers" can use the system to individually indicate a willingness to contract with a single buyer (including just a part of the desired quantity of the buyer), and can individually in real time adjust to show status of their commitments prior to and after entering binding contracts with the buyer.

As set forth in Applicants' specification, the method of claim 13 allows both buyer and seller(s) to contemplate the situation, even after indicating a desired amount and a willingness to commit production of a certain part of that amount. Both buyer and seller must agree to the terms and both sign the contract for it to be legally binding. This is advantageous, because it allows thorough review and contemplation of any of the parties prior to locking in an obligation. To assist this contemplation under step "(f)", the system displays the "allocation" of present commitments of sellers to a buyer's desire. The buyer or any seller can adjust the amounts or terms, or back out.

Also, this step "(f)" helps contemplation of any of the potential parties because it continuously is updating and amending the allocation. A buyer (as opposed to seller) can periodically check the allocation and decide if it is the right time to try to bind one or more of the sellers. The buyer can check if the committed sellers are desirable (e.g. are they from the right geographic areas, are they growers that the buyer has dealt with before, do they have a track record of meeting production, how much of the desired amount are certain sellers able to commit to, etc.) Similarly, sellers can contemplate whether the deal is desirable (do I want to commit that much, will I be able to get sufficient storage, will I get the right seed, etc.). As stated previously, authorized third parties can also watch the development of the contracting, and the real time adjustment of allocation so that still new sellers, elevators, seed companies, or the buyer can track the contracting process.

And further, the system can update the allocation to show what part of the buyer's desired amount has been actually contracted by mutual agreement of buyer and seller(s), and what part remains open to contracting (which part can dynamically change and be continuously updated, as described above).

III. CONCLUSION RE CLAIM 13

The above-described distinctions are central to why Applicant's claim 13 patentably distinguishes from Walker alone or in combination with any of the secondary references cited in the Office Action. Facilitating the formation and tracking of contracts for the production of agricultural crops is not the same as publishing a fixed CPO and waiting for a seller to unilaterally bind its commitment to fill that CPO, and not the same as bidding on or offering futures contracts and waiting for a party to unilaterally bind.

Walker is a "take or leave it" system. The sellers either agree to bind themselves to the terms of the CPO or "leave it". With claim 13, one or more buyers can indicate a willingness to purchase an amount of crop. One or more sellers can indicate a willingness to commit to produce an amount of crop. They can change their indicated willingness. But this allows the relevant players in the agricultural crop production contract business to cooperate in the development of contracts that fit their needs or desires. It also fosters competition. Competing growers can watch and adjust their commitments to try to win approval of a buyer. Buyers can alter desired allocations to win approval of sellers.

As the Office Action correctly points out, a buyer may, for any of a variety of reasons, reject one seller's commitment because it does not want that quantity produced at that geographic location. They buyer simply might not want to deal with a given seller. The buyer may not like

the quantity a seller is willing commit. This is not possible with Walker because a <u>seller</u> in Walker can unilaterally bind the buyer. Likewise, this is not possible with futures contracts as once a bid or offer is made, it can be unilaterally accepted.

Further, claim 13 is not a bilateral buyer-driven method of commerce. As stated, it can be multilateral. Not only can it involve multiple buyers and multiple sellers relative to each multiple buyer but third parties in the sense of elevators, seed companies, if authorized, can gain access and benefit from tracking and contracting. As explained in Applicant's specification, buyer or sellers may want to involve elevators to store grain involved in a contract. Elevators themselves might want to monitor allocations, locations, not only to solicit business but to carefully monitor its own inventory or storage capacity. Seed companies may use it as a marketing information tool and/or to gauge their sales.

And, again, claim 13 is <u>not</u> constrained by Walker's or the Manual's requirement that one of two parties in the bilateral exchange be able to unilaterally legally bind the other. As explained in Applicant's specification, the method of claim 13 is for "facilitating and tracking the contracting of…". It does not require ability for one party to unilaterally bind. Rather it allows both buyer and any seller to contemplate the current state of the contracting process before agreeing to bind itself. It is only when both buyer and seller sign up is there a legally binding contract formed. This also relates to the fluidity and dynamic nature of the method, allowing real time updating of proposed commitments for production and allocation so that buyer and sellers can track and decide if and when they want to bind themselves.

The Final Rejection points out it is not relying solely on Walker for the obviousness rejection of the claims. However, Walker is cited as the primary reference. Therefore, if material limitations of claim 13 are not found in Walker, there must be some suggestion or

teaching in Walker to combine with the teaching of a secondary reference and, once combined, there must be a cumulative teaching of the claimed invention as one of ordinary skill in the art would interpret the cited references. It is respectfully submitted that there is neither in Walker. Walker does not teach or suggest utilization with the selling of futures contracts. And Walker does not teach or suggest a method for facilitating the formation and tracking of agricultural production contracts according to the language of claim 13. And, even if Walker was combined with the teachings of the Manual, they cumulatively do not teach or suggest a method for facilitating and tracking of agricultural production contracts according to the language of claim 13. The complete lack of teaching of the same does not provide one of ordinary skill in the art any motivation to create the method of Applicants' claim 13. The above discussion specifically points out language in claim 13 that differentiates claims 13 from the cited art.

Therefore, it is respectfully submitted that a *prima facia* case of obviousness cannot be based on the combination of Walker with any of the cited secondary references.

III. Brief Discussion of Applicants' Claims 14-23

Claims 14-23 (see attached Exhibit 2) are dependent from claim 13 and are submitted to be allowable for the reasons expressed in support of claim 13.

IV. Real World Example of Invention

Attached Exhibit 3 is discussion and an illustrative example from the owner of the present application of a real world implementation of the invention to further show how the invention differentiates from the cited art.

Exhibit 3, page 1 further describes how the claimed method, and the real time, dynamic allocation information, allows better and more efficient cooperation between buyers and sellers

to form agricultural production contracts. It also discusses how the invention differs from the cited bid/offer systems.

Exhibit 3, pgs. 2-3 illustrative how the database system is set up for a variety of "buyers" ("contractors") and different agricultural crop production contract programs, as well as a variety of different "sellers" ("growers") pursuant to Applicants' claim 13, preamble and steps "(a)"-"(d)". Authorized users can view such information via an internet browser and passwords.

Exhibit 3, pages 4-5, describes how contractors can specify desired terms, and can allocate and adjust the same.

Exhibit 3, page 5 indicates how the Contractor can select contract parameters and how contracts with growers can be facilitated by designating conditional grower commitments as "pending". The system treats growers' commitments as "pending" for a given period of time. The Contractor can look over the pending commitments and choose which one(s) it wishes to pursue. In the meantime, growers can adjust their pending commitments. As indicated at page 5, if a Contractor selects a grower's pending commitment, it can proceed to a "signed phase" or status if accepted by both Contractor and grower, which triggers a procedure to finalize the mutual acceptance through signatures of the parties. Page 5 gives examples of how the allocations can change during this development of the contract.

Exhibit 3, page 6 discusses how contracts can be "managed", including adjustment of the allocations.

This is but one example of the forms the invention of claim 13 can take. It illustrates the special circumstances and considerations involved with an agricultural crop production contract, and how it is not simply a CPO or bid/offer arrangement.

EXHIBIT 1—APPLICANTS' CLAIM 13 (broken down into lettered steps)

Claim 13 (Original):

A method of facilitating and tracking the contracting of agricultural crops using a wide area distributed network comprising the steps of:

(a) providing a centralized database system for the storage and retrieval of data;

(b) storing data related to the number of acres or bushels of agricultural crops desired by one or more agricultural commodity buyers;

(c) storing data related to the number of acres or bushels of the agricultural crops committed for the production of the crops by one or more growers;

(d) displaying a listing of the desired crops including information related to the number of acres or bushels desired and the number of acres or bushels already committed;

(e) receiving input data from a grower relating to a specific amount of the crop which the grower is willing to commit to the desired agricultural crop; and

(f) updating the data in the database to reflect the additional acres committed by the grower as indicated in the input data so that the listing of the desired crops can be displayed in real time showing the allocation of acres or bushels committed to the desired crop.

(d)
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EXHIBIT 2—Applicants' Claims 14-23

Claim 14 (Original): The method of claim 13 further comprising electronically managing delivery times and methods.

Claim 15 (Original): The method of claim 13 further comprising electronically managing quality data for growing or delivered products.

Claim 16 (Original): The method of claim 13 further comprising electronically pricing the contract based on a variable.

Claim 17 (Previously amended): The method of claim 16 wherein the variable is selected from the set comprising time of delivery and a quality measure.

Claim 18 (Original): The method of claim 13 wherein the centralized database system is installed on an Internet Web server, and users of the database system access the database system via an Internet Web browser.

Claim 19 (Original): The method of claim 18 wherein the centralized database system is installed on an Internet Web server, and users of the database system access data using Java or another applet.

Claim 20 (Original): The method of claim 13 wherein the agricultural crops further comprise agricultural products.

Claim 21 (Original): The method of claim 13 further comprising the step of allocating the stored data relating to the number of acres of agricultural crops desired among a plurality of elevators.

Claim 22 (Previously amended): The method of claim 13 further comprising the step of allocating into distinct geographic regions the data related to the number of acres of the agricultural crops desired.

Claim 23 (Original): The method of claim 13 further comprising the step of allocating the data according to one of the following:

product type, time of delivery, method of delivery, end-user buyer.

EXHIBIT 3—Narrative and Pictorial Example of Embodiment of Applicants' Invention

E-Markets NetContract

Overview of selected functionality

The E-Markets NetContract tool allows for creation and management of contract transactions between parties. The tool is unique in several respects including:

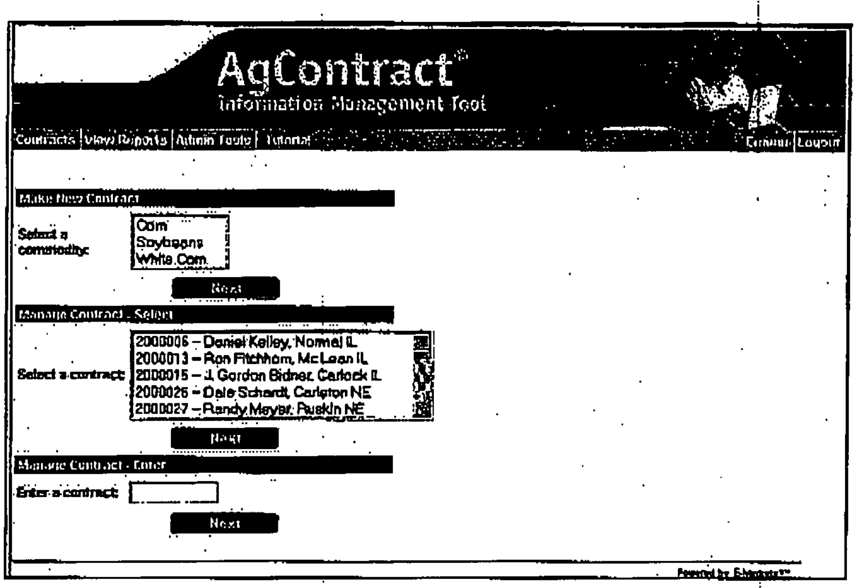
- The ability of contractors to define varying contracting programs with a range of parameters (commodity/product type, delivery locations, delivery windows, unique terms and conditions, etc.). In the case of crop production contracts, contract programs can be associated with designated sets of seeds types.
- The ability of contractors to ration or allocate allotments of contracted units (e.g., bushels, tons, acres, etc.). Allocations can be assigned by contracting program, by delivery location, and by delivery time frame (i.e., delivery window) and by customer group or geography.
- The ability of contractor to make real-time adjustments to contract program allocations in order to accommodate shifts in supply and demand conditions in the market.
- The ability for users to reserve contracted units for a specified period of time (as determined by the contractor) by selecting desired number of contracting units from pool of real-time availability.
- The ability to manage contracts at varying stages of completion (e.g., pending contracts, signed contracted, on-file contracts).
- The ability of contractors to monitor real-time status of all contracts at varying stages.
- The ability of a network of users to access and utilize the NetContract tool. Data and functionality availability is based upon the user's company affiliation and business role.

This system is not a bid/offer system. The system does not facilitate an immediate obligation with the click of a button. All contracts are mutually approved and go through the stages of Program offering, Intention to participate, Choice of alternatives offered, Product order intentions, Supplier choice, Participation reservation (optional by contract), Acceptance by participant and final Acceptance by the contractor. A contract is an obligation between two parties and there are multiple stages a contract goes through. This system manages those stages and does so in a centralized fashion with the appropriate Security to allow only the right person to access, change or confirm the individual data. The previous systems were paper documents where no one knew what stage the contract was in and it resulted in major over commitments or under utilization of programs.
Two of the key functions of the NetContract tool are to create new contract transactions and modify existing contract transactions. Below we will first describe some of the key process steps involved in creating a new contract transaction. The example used is for a Non-GMO white corn contracting Choice of alternatives offered program where the contracting is contracting for acres of production.

Create new contract transaction

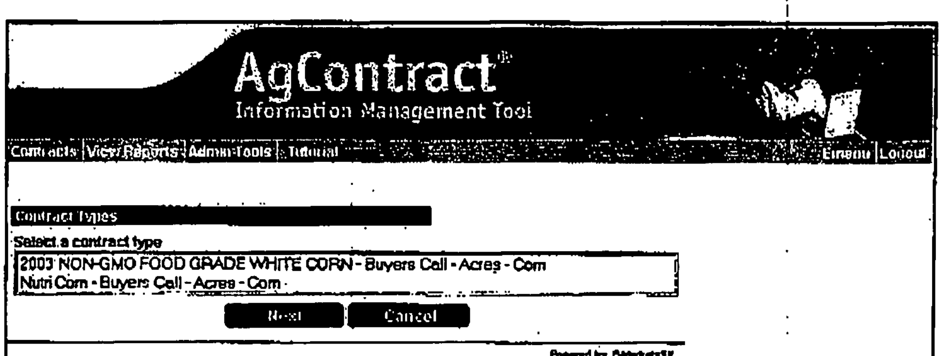
Select commodity

- Contract programs can be defined for an unlimited range of commodities or product types. In the screen shown below, contract programs have been defined for corn, soybeans, and white corn. For this example, we will select the corn commodity type.



Select contract program

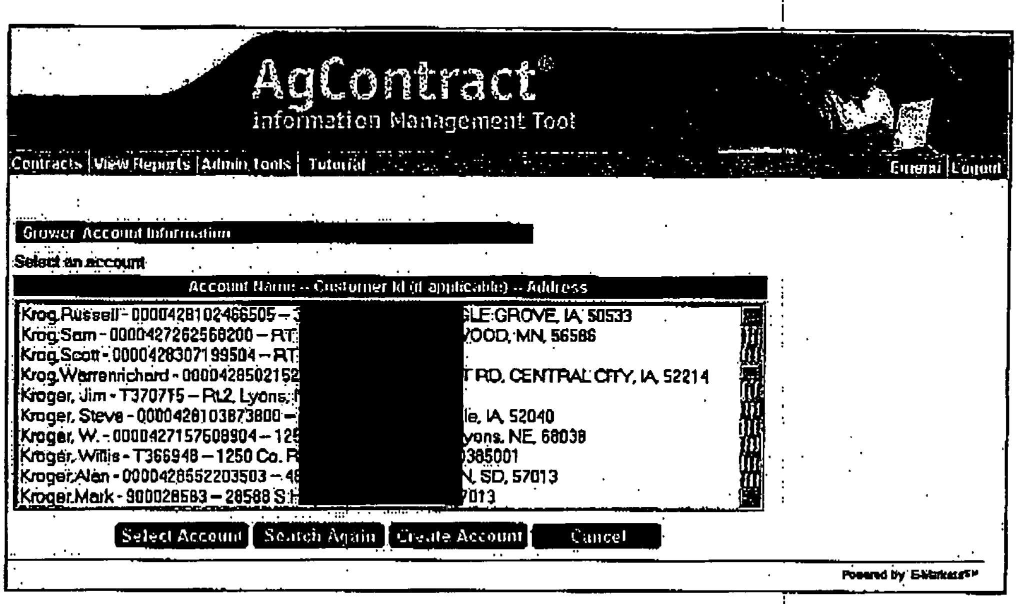
- One or more contract programs are defined for each commodity. In this example, two programs are defined, and we will select the Non-GMO corn program.
- For crop production contracts, contractors who sponsor and define programs include grain elevators, processors, food companies, and independent contract organizations.
- Contract programs are defined by a program name, contract type (e.g., buyers call, harvest delivery), contracting units (e.g., acres, bushels, tons), delivery locations, delivery windows, etc.



Select grower

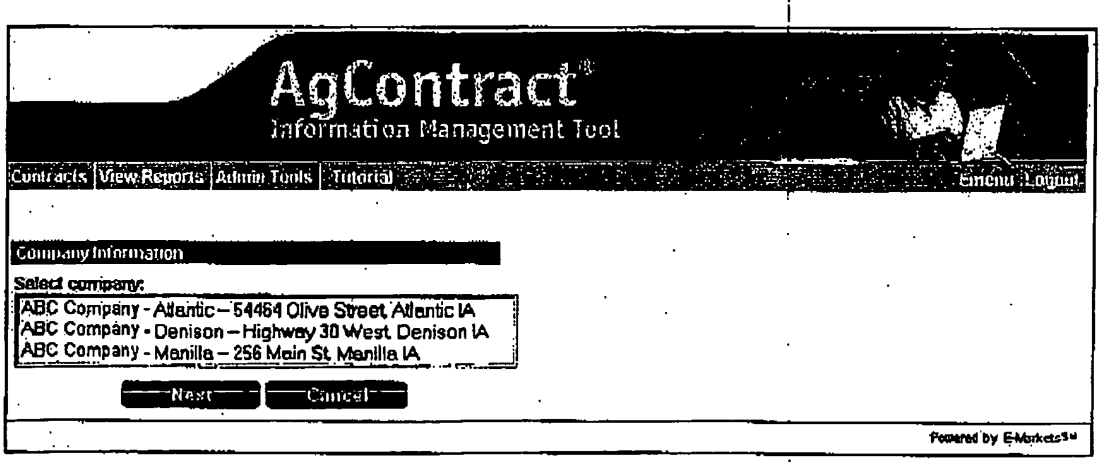
- For crop production contract programs, a grower represents one of the parties to the contract. The NetContract database contains the set of growers who are eligible to be a party to a contract. New growers can also be added to the database.

- The user creating a new contract will select a grower from the database.



Select delivery location

- Each contract program has one or more associated delivery locations. When creating a contract for the specific grower, the user selects the desired delivery location.

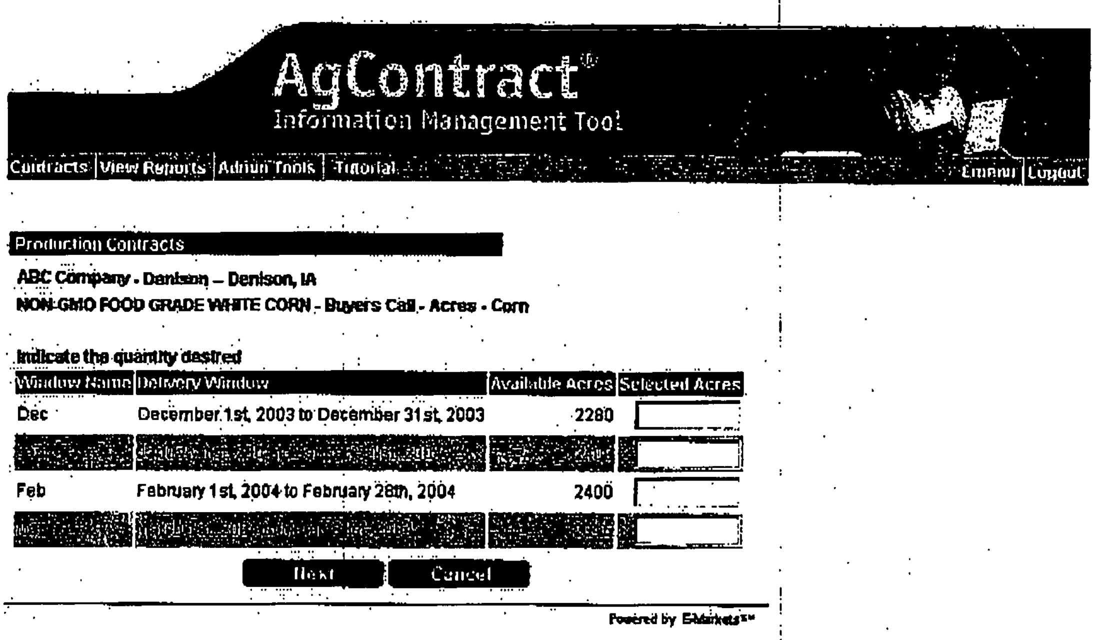


Enter desired contracting units

- Contractors can allocate a specified number of contracting units (i.e., acres in our example here) for each delivery location and for each defined delivery period.

- Real-time, contracting unit availability is shown for each delivery period. Availability adjusts dynamically as contracts are created and/or as allocation adjustments are made by contractors. This approach ensures that units contacted do not exceed the levels desired by the contractors.

- As demand and supply conditions dictate, the contractors can at any time make adjustments to the allocated units (e.g., acres) as long as they remain greater than the obligated amounts.



Enter desired ingredient quantity

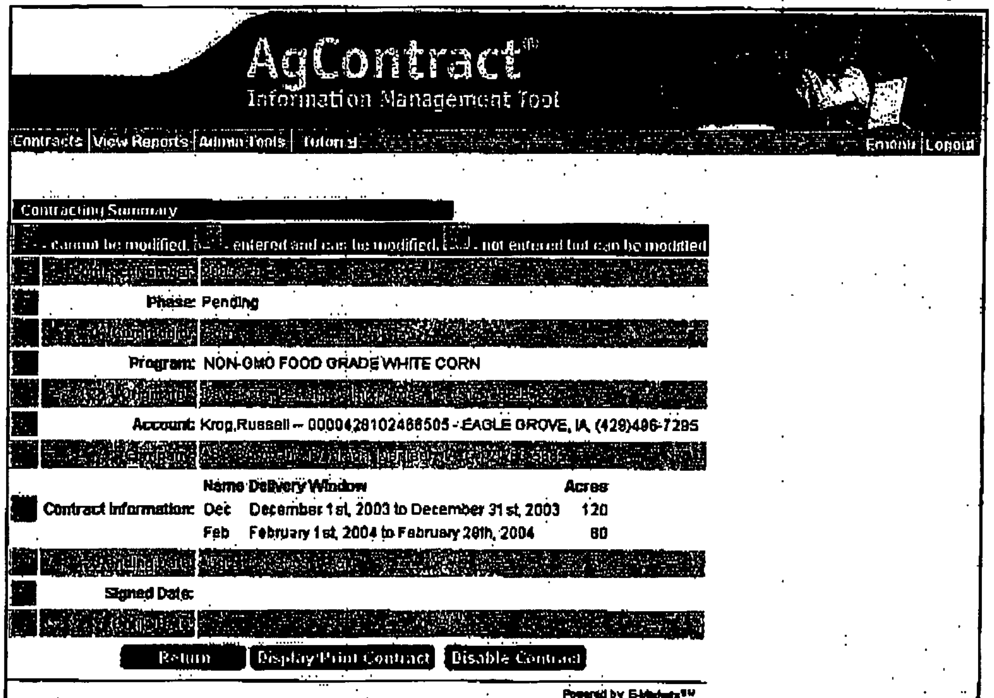
- Some production contracts may require that the desired quantity of Inputs be entered. Each contracting program can be defined with a qualifying set of input ingredients to choose from. (For example, seed needed for a production contract)

- The user will be prompted to select the specific brand, type and the number of units of the ingredient needed to carry out the contract being created.

Contract Finale

There are 3 phases a contract can go through. Pending, Signed and Final. The Contractor can choose, if they want, to set up an accepted time limit for a contract to stay in a Pending phase. This allows contractors to take intended orders before a final decision is made and it allows customers to reserve a place in priority before making a decision.

- Once all of the contract parameters have been selected, a contract summary can be reviewed by the user.
- At this point in the process, the user can (1) change any parameters that need adjusting, (2) display and print the contract, or (3) cancel the contract just created.
- Each new contract created is given a "pending phase." That is, the contract is pending final acceptance by both parties – in this example by the contractor and the grower. Once signed, by the grower the activity in the system then converts the contract to a "signed phase."
- After the contract converts to Signed status the Contractor needs to confirm acceptance of the contract and does so by launching the On file button and walking through the process to acknowledge acceptance of the Contract. At this point the contract is mutually accepted and valid.
- The system maintains the phase of the contract in the system and the data already input even when the user does not have an active session open. To eliminate the data and the phase the user must clearly disable the contract.

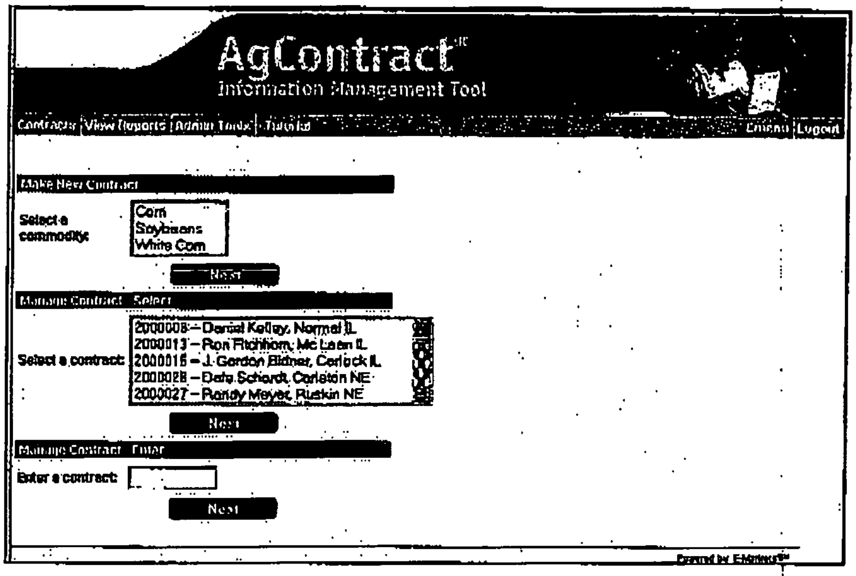


Otherwise the contract can stay in the pending state until the clearing time limit takes place.

Manage Existing contract transactions

- Users with the appropriate level of security can retrieve manage (i.e., add and/or change parameter values) existing contracts. The user's level of security determines what sort of contract changes can be made.
- To manage a contract, the user selects from a set of contracts that they are allowed to view and manage.

- When the user selects a contract to manage, the contract summary page is displayed with information from the selected contract.



Manage program allocations

- Contractor users with the appropriate levels of security can manage contracting unit allocations. That is, they can adjust allocations up and down as needed as long as the allocation is great enough to cover the obligations.

- Changes in allocations are immediately reflected in contracting unit availability.

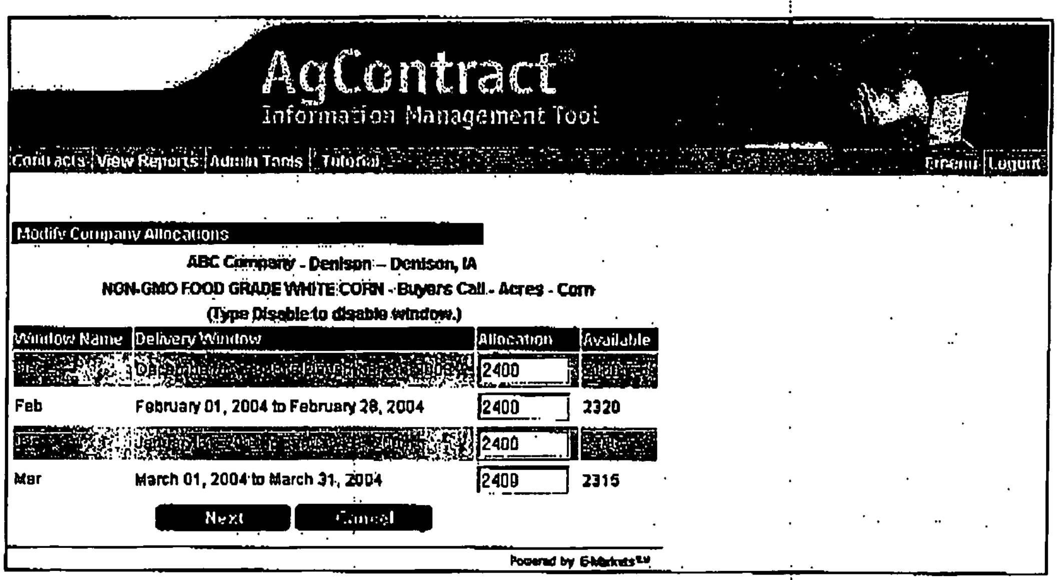


EXHIBIT 4 – Brochure from Commodities Trading Futures Commission [available at www.cftc.gov]

CFTC P-106A (01-97)

FUTURES AND OPTIONS -- WHAT YOU SHOULD KNOW BEFORE YOU TRADE

Trading commodity futures and options is not for everyone. It is a volatile, complex, and risky business. Before you invest any money in futures or options contracts, you should:

1. Consider your financial experience, goals, and financial resources and know how much you can afford to lose above and beyond your initial payment.

2. Understand commodity futures and option contracts and your obligations in entering into those contracts.

3. Understand your exposure to risk and other aspects of trading by thoroughly reviewing the risk disclosure documents your broker is required to give you.

4. Know who to contact if you have a problem or question.

The purpose of this brochure is to provide you with general information about trading commodity futures and options and to encourage you to ask more questions and gather more information before you open an account.

UNDERSTAND YOUR FINANCIAL GOALS AND RESOURCES

Who trades in commodity futures and options and why?

Most of the participants in the futures and options markets are commercial and institutional users of the commodities they trade. For example, a company or individual who holds an asset such as coffee, corn, soybeans, U.S. Treasury bonds, or a portfolio of stocks, wants the value of that asset to increase. That person also wants to limit, if possible, any loss in value. The company or individual may use the commodity markets to take an opposite position which can minimize the risk of financial loss from holding those assets when and if their price changes. This is called "hedging."

Other participants are speculators who hope to profit from changes in the price of the futures contract. A speculator buying a futures contract or call option, or selling a put option, hopes to profit from rising prices, while a speculator selling a futures contract or call option, or buying a put option, hopes to profit from declining prices. Because, unlike a hedger, a speculator does not own the underlying commodity, the components of the underlying index, or other product, losses in the futures market are not offset by gains in the cash market, and speculators can lose substantial amounts.

Individuals do participate in the market. An individual who owns or runs a business might participate as a hedger. Or, an individual with a substantial and diversified portfolio of investments might speculate using futures or options contracts. Individual investors should also have adequate resources to absorb the significant losses which can occur in futures and option trading.

Can futures and option trading meet my investment goals?

Futures trading is inherently complex and risky, and it is not appropriate for all investors. You should know how much you potentially can lose and honestly evaluate if you can afford to lose it in view of

your financial resources and investment goals, and communicate this to your broker. If you decide you have the resources and the reasons to invest in futures, you should also determine the extent to which you plan to rely on advice from a broker versus making your own trading decisions. Then you should evaluate and compare the methods of trading before choosing the one you feel will best implement your goals. Finally, set some limits on the length of time you are willing to invest and the amount of loss you are willing to incur. Like other financial markets, futures are cyclical and gains may not be immediate. And remember that, because of the leveraged nature of futures, losses can be more than your original deposit.

Is there anything I should watch out for?

First, if it sounds too good to be true, it probably is. Promises of huge returns with limited risk are usually false. Be on the alert for anyone who downplays the importance of the disclosure statement; you should always receive one and always read it thoroughly before you open an account. Do your homework! Don't be pressured to "act now." Always ask questions. Beware when a salesperson tells you to borrow money to invest, and never agree to give money to someone you have never met. Watch out for guarantees of profit or boasts about past performance. Do not rely on claims of profits due to "predictable" seasonal or market cycles or claims based on the impact of current news events.

There is fraud in every business and the futures industry is no exception, so you owe it to yourself to be careful. You may want to read Investment Swindles: How They Work and How to Avoid Them, a publication of the National Futures Association, or Swindlers are Calling, by the Alliance Against Fraud in Telemarketing, available from the CFTC or NFA.

Before you open an account, you should always check on the company's or individual's registration status by calling the National Futures Association (the private regulatory body that handles registration processing for the CFTC) at its toll-free number: 1-800-621-3570. If you live in Illinois, the NFA can be reached at 800-572-9400. The NFA's Information Center can also be contacted through the Internet by sending an e-mail message to NFA's web site (http://www.nfa.futures.org). The NFA can also provide information on any disciplinary actions which have been brought against a registrant. Information on sanctions in effect against commodity professionals is also available on the CFTC's World Wide Web site (http://www.cftc.gov).

UNDERSTANDING COMMODITY FUTURES AND OPTION CONTRACTS AND YOUR CONTRACTUAL OBLIGATIONS

What are commodity futures and option contracts?

A futures contract is a legally binding agreement between two parties to buy or sell in the future, on a designated exchange, a specific quantity of a commodity at a specific price. The buyer and seller of a futures contract agree now on a price for a product to be delivered or paid for at a set time in the future, known as the "settlement date." Although actual delivery of the commodity can take place in fulfillment of the contract, most futures contracts are actually closed out or "offset" prior to delivery.

An option on a commodity futures contract is a legally binding agreement between two parties which gives the buyer, who pays a market determined price known as a "premium," the right (but not the obligation), within a specific time period, to exercise his option. Exercise of the option will result in the person being deemed to have entered into a futures contract at a specified price known as the "strike price." In some cases, an option may confer the right to buy or sell the underlying asset directly, and these options are known as options on the physical asset.

How do I go about trading futures or option contracts?

In the United States, futures contracts and options on futures contracts must be executed on or subject to the rules of a commodity exchange. But you, as an individual, cannot trade directly on an exchange. A person or firm must trade on your behalf. People and firms who trade on your behalf as a customer generally must be registered with the Commodity Futures Trading Commission.

There are two general categories of accounts through which you may trade.

Individual Account. In an individual account, trading is done only for you. An individual account may be a "non-discretionary" account, which means that the broker may not execute any transactions without your prior approval. In a "discretionary" individual account, you give permission for the firm carrying your account or some third party to make trading decisions on your behalf.

You may open an individual account with a registered Futures Commission Merchant or through an Introducing Broker. An Introducing Broker may accept your orders and transmit them for execution to a Futures Commission Merchant with whom he has a relationship. An Introducing Broker is not permitted, however, to accept any funds from you. You deposit funds directly with a Futures Commission Merchant. In an individual discretionary account, you grant power-of-attorney to a Futures Commission Merchant, an Introducing Broker, one of their Associated Persons, or a Commodity Trading Advisor to make trading decisions on your behalf.

Commodity Pool. You may also trade commodities through a "commodity pool." In a commodity pool, you are purchasing shares or interests in the pool, and trades are executed for the pool, rather than for the individuals who have interests in the pool. Pool participants share ratably in gains or losses.

What are my contractual obligations?

Individual Account. When you enter into a futures or option contract through an individual account, you are required to make a payment referred to as a "margin payment" or "performance bond." This payment is small relative to the value of your market position, providing you with the ability to "leverage" your funds. Because trading commodity futures and option contracts is leveraged, small changes in price, which occur frequently, can result in large gains or losses in a short period of time.

Each day, your broker will calculate the current value of futures and option contracts held in your account. If the equity in your account has declined in value to the "maintenance margin level" (approximately 75% of the amount required to enter into the trades originally), you are required to provide more margin money to restore the initial margin level (this is called a "margin call"). This eliminates the needs to make repeated margin calls when daily price changes are relatively small.

If you fail to meet a margin call within a reasonable period of time, which could be as little as one hour, your brokerage firm may close out your positions to reduce your margin deficiency. If your position is liquidated at a loss, you would continue to be liable for that loss. You can, therefore, lose substantially more than your original margin deposit.

Commodity Pool. In a commodity pool, you have purchased a share or interest in the pool, and it is the pool itself which must make the performance bond payments and margin calls described above. Your contractual obligations as a participant in the pool, including your liability for any losses to the pool, must be described in the pool's disclosure document.

What is the role of the CFTC in protecting investors?

The Commodity Futures Trading Commission, or CFTC, was created by Congress in 1974 to regulate commodity futures and option markets in the United States and, in particular, to protect market participants against manipulation, abusive trade practices, and fraud. The CFTC requires that all persons handling the public's commodity trading accounts and funds be registered with the CFTC. The

CFTC also requires that before any individual or firm with whom you intend to open an account provide you with a risk disclosure statement which provides certain information specified by the CFTC.

UNDERSTAND YOUR EXPOSURE TO RISK AND OTHER ASPECTS OF TRADING

What is a risk disclosure document?

Because trading in futures and options is appropriate only for certain businesses and individuals, the CFTC requires that a broker provide you with a document which describes the risks involved in entering into futures and option contracts. The document provides you with an opportunity to carefully consider whether futures and options are appropriate for you in light of your experience, objectives, financial resources and other circumstances. The broker must receive a signed and dated acknowledgment from you that you have received a disclosure document before he or she can accept any funds, securities, or property from you. Accounts opened through different types of commodity professionals require different types of risk disclosure documents.

Futures Commission Merchants and Introducing Brokers. A Futures Commission Merchant or Introducing Broker must provide you with a disclosure statement which informs you of the risks inherent in trading futures contracts and/or options on futures contracts, as well as the effect that leverage may have on potential losses or gains. The disclosure statement must also inform you that trading futures in foreign markets carries particular risks because of fluctuations in the currency exchange rate and differences in regulatory protection.

Commodity Pools. The disclosure document for a commodity pool must include more extensive information, including the following:

Principal risk factors

The extent of your potential liability

The percentage return necessary for you to break even

Fees and expenses

Material litigation during the last five years against the pool's operator, manager, trading advisors, principals, the pool's futures commission merchants and introducing brokers

Actual or potential conflicts of interest of the pool's operator, manager or advisors

Past performance information

Information about the trader or company and its principals

The business background of the pool's operator, manager, and advisors

The volatility of the market

Limits on your ability to withdraw funds

Management, advisory, and brokerage fees

Whether foreign futures and option transactions are involved

The investment program of the pool and use of proceeds

Whether those managing your money may trade for their own account

Information on any protection of your principal investment

Transferability and redemption

Liability of participants

Distribution of profits and taxation

When trading will begin

The ownership of the pool

Reporting to pool participants

Before a Commodity Trading Advisor can solicit you concerning the authority to direct or guide your trading, the Commodity Trading Advisor must provide you with a disclosure document containing similar information.

The specific CFTC regulations governing disclosure documents may be obtained by contacting the CFTC Office of Public Affairs.

How does risk affect my returns?

Your returns may change radically at any time because futures and options are subject, by nature, to abrupt changes in price. Commodity prices are volatile because they respond to many unpredictable factors: weather, labor strikes, inflation, foreign exchange rates, government monetary policies, etc. And, in an individual account, because your position in futures and options is leveraged, even a small move against your position may result in a large loss, including the loss of your entire initial margin payment and liability for additional losses. The same risk of loss applies to a commodity pool, but your loss may be limited to the amount of your investment.

Are there strategies for reducing risk?

In an individual account, there are certain types of orders (such as "stop-loss" orders, where permitted under local law, or "stop limit" orders) which are designed to limit losses to certain amounts. However, these orders may not be effective in limiting losses because market conditions may make it impossible to execute your orders at a reasonable price. Strategies using combinations of positions, such as "spread" and "straddle" positions, may be as risky as taking simple "long" or "short" positions. In a commodity pool, you should ask the pool about any strategies it employs to reduce risk. As always, be wary of claims of guaranteed profit and minimal risk.

Do options carry less risk than futures?

Not necessarily. If you plan to trade through an individual account and are considering trading options on futures contracts, you should familiarize yourself with the types of options (puts or calls) which you contemplate trading and the risks associated with each. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs. You should also understand that certain market conditions (such as

lack of liquidity), market rules or the pricing relationships between the underlying interest and the option may increase risk.

Do the risks vary between puts and calls?

The purchaser of an option (known as a "long" call or "long" a put) can do the following with an option position. The purchaser may "exercise" the options or allow the options to expire. The exercise of an option by someone who is "long" results either in a cash settlement or in the purchaser acquiring the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium plus transaction costs. If you are contemplating purchasing "deep-out-of-the-money" options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. The seller will also be exposed to the risk that the purchaser will exercise the option, obligating the seller to either settle the option in cash or to acquire and deliver the underlying interest. If the position is "covered" by the seller holding a corresponding position in the underlying interest or a future or another option, the risk of loss may be reduced, but the loss may still exceed the premium received. If the option is not covered, the risk of loss can be unlimited.

How do commissions and fees affect my rate of return?

Obviously, fees will reduce your rate of return and should, therefore, be examined carefully. In an individual account, the disclosure statement does specify fees and expenses. However, you are encouraged to consult your broker and be fully aware of the fees you will be charged. A commodity pool is required to provide you with a complete description of fees, commissions and other expenses. Before allocating any funds to a pool, you should pay particular attention to the "break-even analysis" and other required fee disclosures to determine how fees will affect your potential rate of return.

Is there a limit on potential losses?

Before participating in a commodity pool, read the disclosure document closely for information on losses. Losses to commodity pool participants are ordinarily (but not always) limited to the amount of your participation. Sometimes in a commodity pool, in order to protect against catastrophic losses, a loss to the fund of more than a given percentage will trigger the sale of all open positions and will result in closing the pool account. The disclosure document must clearly state this possible course of action.

In an individual account, the leveraged nature of transactions can result in significant losses or gains, and losses may exceed your initial margin deposit. If so, you are responsible for covering those losses with additional funds.

How can I evaluate a broker's track record?

If you plan to participate in a commodity pool, information on past performance must be included in the risk disclosure document required to be provided by a Commodity Pool Operator. Bear in mind that past performance is not a predictor of future results.

If you authorize a Commodity Trading Advisor to direct trading in your individual account, the Commodity Trading Advisor must provide you with a disclosure document including information on past performance. In reading the disclosure document, note whether the performance results are

based on actual trading results of client accounts. The Commodity Trading Advisor must disclose whether information is based on the Advisor's own proprietary (personal) account, or based on hypothetical or simulated results. If the information is based on hypothetical or simulated results, the Commodity Trading Advisor must disclose the inherent limitations of these results. No representation may be made that any account will or is likely to achieve profits or losses similar to those shown.

If you plan to open an individual account, and plan to ask your Futures Commission Merchant, Introducing Broker, or one of their Associated Persons for advice or have the firm or associated person trade on your behalf, get as much information as possible about the firm's or associated person's track record on behalf of other clients. While the firm or associated person is not required to provide this information, be wary of any firm or associated person who is not forthcoming or who provides you with incomplete information.

Can I withdraw my investment at any time?

The funds needed to meet initial margin requirements in an individual account can only be withdrawn after trades are settled and, in some cases, after all open positions are closed. Accruals on futures contracts are paid out daily. Funds held in an individual account above and beyond the required margin or account opening requirements should be withdrawable. If you participate in a commodity pool, you may or may not be able to withdraw some or all of your money at any given time. Some pools have limitations on when funds can be withdrawn. You may only be able to redeem your funds on a monthly, quarterly, or even annual basis. Restrictions on the withdrawal of money should be evaluated by reading the disclosure document and asking questions before you invest in the pool.

What information should my broker give me once I open an account?

In the case of an individually managed or personal account, you should receive confirmation by mail of all purchases and sales, and a month-end summary of transactions, showing gains, losses, and a mark-to-market valuation of your open positions and current account value. Your broker should also be willing and able to provide you with this information on a daily basis. In a commodity pool, your pool operator ordinarily should send you a monthly statement of net asset value. However, if commodity pool assets do not exceed $500,000 at the beginning of the pool's fiscal year, reporting will be made quarterly.

Are my funds protected?

In an individual account, funds that you have deposited with your commodity brokerage firm to trade on commodity exchanges located in the United States are required to be segregated (held separately) from any of the brokerage firm's own funds. The amount segregated will increase or diminish as you make or lose money from your trading. Also, even though your brokerage firm is required to segregate your funds, you may still not be able to recover the full amount of any funds in your account if the brokerage firm becomes insolvent and there are insufficient funds available to cover the obligations to all of its customers. Your account is <u>not</u> insured.

If, in your individual account, you trade on commodity markets located outside of the United States, your brokerage firm will set up a trading account for you which is in addition to the account

set up for your trading on U.S. markets. The funds in your foreign account will be segregated by your brokerage firm only while you maintain an open position on a foreign market, and then only to the extent of any margin required on that position, plus or minus any unrealized gain or loss on that position. You should ask your broker about account protection and should be aware of the limitations imposed on the protection of the funds in your commodity trading accounts.

A commodity pool operator is required to disclose what percentage of the pool's assets will be held in segregation.

RESOLVING DISPUTES AND ASKING QUESTIONS

Where can I get help if I have a problem with my broker or account?

If you have a dispute arising out of your commodity futures or option account, first try to resolve the problem with your broker and his or her supervisor at the firm which employs or guarantees the broker. If that fails, commodity futures customers have several options for resolving disputes: (1) the CFTC Reparations program; (2) industry sponsored arbitration; or (3) court litigation. In selecting a particular approach, you may want to consider the cost, length of time involved and whether or not the assistance of an attorney is required. More information on dispute resolution is available from the CFTC's Office of Proceedings (202-418-5250).

Who can I contact if I have questions?

General information on the commodity futures markets and the CFTC is available through the World Wide Web. The CFTC's website is http://www.cftc.gov. You can also report suspected wrongdoing to the Commission's Division of Enforcement website (http://www.cftc.enf.gov). You may write or call the CFTC Office of Proceedings (202-418-5250) for information on filing complaints, or call the Office of Public Affairs (202-418-5080) for general information about CFTC. Call the main number of the CFTC (202-418-5000) if you are not sure which office may have the information you need. The National Futures Association also provides general information about futures and options as well as information on the registration status and disciplinary history of its members. Information on futures and option trading may also be available directly from commodity exchanges.

CFTC offices can be found in the following locations:

Headquarters
Three Lafayette Centre
1155 21st Street N.W.
Washington, D.C. 20581

Office of Proceedings: (202) 418-5250
Office of Public Affairs: (202) 418-5080
CFTC General Number: (202) 418-5000

Eastern Region
140 Broadway
19th Floor
New York, NY 10005
Phone: (646) 746-9700
Alternate Phone: (917) 836-4226

Central Region
525 West Monroe Street
Suite 1100
Chicago, IL 60661
Phone: (312) 596-0700
Fax: (312) 353-9126

Southwestern Region
4900 Main Street - Suite 721

Kansas City, MO 64112
Phone: (816) 931-7600
Fax: (816) 931-9643

Minneapolis Office - Southwestern Region
510 Grain Exchange Building
Minneapolis, MN 55415
Phone: (612) 370-3255
Fax: (612) 370-3257

Western Region
Murdock Plaza
10900 Wilshire Boulevard - Suite 400
Los Angeles, CA 90024
Phone: (310) 443-4700
Fax: (310) 443-4745 or (310) 235-6745

The following organizations are designated as self-regulatory organizations by the CFTC:

National Futures Association
200 West Madison Street
Chicago, IL 60606

Toll free: 1-800-621-3570
In Illinois: 1-800-572-9400

Amex Commodities Corporation
86 Trinity Place
New York, New York 10006

(212) 306-1000

Chicago Board of Trade
141 West Jackson Boulevard
Chicago, Illinois 60604

(312)435-3500

Chicago Mercantile Exchange
30 South Wacker Drive
Chicago, Illinois 60606

(312) 930-1000

Coffee, Sugar & Cocoa Exchange, Inc.
Four World Trade Center
New York, New York 10048

(212) 742-6000

Commodity Exchange, Inc., Division of
the New York Mercantile Exchange

Four World Trade Center
New York, New York 10048

(212) 938-2900

Kansas City Board of Trade
4800 Main Street, Suite 303
Kansas City, Missouri 64112

(816) 753-7500

MidAmerica Commodity Exchange
141 West Jackson Boulevard
Chicago, Illinois 60604

(312) 435-3500

Minneapolis Grain Exchange
400 South Fourth Street
Minneapolis, Minnesota 55415

(612) 338-6212

New York Cotton Exchange & Affiliates:
Financial Instrument Exchange, Citrus Associates
of the New York Cotton Exchange, New York Futures Exchange

Four World Trade Center
New York, New York 10048

(212) 742-5028

New York Mercantile Exchange
Four World Trade Center
New York, New York 10048

(212) 748-3250

Philadelphia Board of Trade
Philadelphia Stock Exchange Building
1900 Market Street
Philadelphia, Pennsylvania 19103

(215) 496-5000

A "BEFORE-YOU-TRADE" CHECKLIST

Before you trade futures or options, have you:

Clearly identified your financial goals, including the amount of risk and loss you can sustain?

Determined how much assistance you want from a trading advisor in making trading decisions?

Checked the registration status and disciplinary history of the advisor or pool you select with the National Futures Association?

Received and thoroughly reviewed the disclosure document before you open an account?

Clearly understood the disclosure document, including the statement of fees, the potential for loss, your right to withdraw your funds and the "break-even analysis?"

Called the CFTC or the NFA with any questions you may have?

-- What You Should Know Before You Trade

Commodity Futures Trading Commission

Federal Regulatory Agency

For Futures Trading

Commodity Futures Trading Commission

Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581
Phone: (202) 418-5000
Fax: (202) 418-5525

Eastern Region
140 Broadway
19th Floor
New York, NY 10005
Phone: (646) 746-9700
Alternate Phone: (917) 836-4226

Central Region
525 West Monroe Street
Suite 1100
Chicago, IL 60661
Phone: (312) 596-0700
Fax: (312) 353-9126

Southwestern Region
4900 Main Street - Suite 721
Kansas City, MO 64112
Phone: (816) 931-7600
Fax: (816) 931-9643

Minneapolis Office - Southwestern Region
510 Grain Exchange Building
Minneapolis, MN 55415
Phone: (612) 370-3255
Fax: (612) 370-3257

Western Region
Murdock Plaza
10900 Wilshire Boulevard - Suite 400
Los Angeles, CA 90024
Phone: (310) 443-4700
Fax: (310) 443-4745 or (310) 235-6745

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